

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
AGRICULTURE
APPROPRIATIONS
ENERGY AND NATURAL RESOURCES
INDIAN AFFAIRS

April 3, 2014

The Honorable Patty Murray
Chairwoman

Subcommittee on Transportation, Housing and Urban Development, and Related Agencies
Senate Committee on Appropriations
142 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Susan Collins
Ranking Member

Subcommittee on Transportation, Housing and Urban Development, and Related Agencies
Senate Committee on Appropriations
128 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairwoman Murray and Ranking Member Collins:

As a member of the Senate Committee on Appropriations, I write to ask for inclusion of funding for the Federal Railroad Administration (FRA) and for the Pipeline and Hazardous Materials Safety Administration (PHMSA) for railroad safety. The volume of crude oil being transported by rail has been steadily increasing to meet the demand created by the nation, and particularly, North Dakota's dramatic increase in energy production. The increase in oil production has helped increase America's energy independence, boosted the nation's economy, and produced thousands of jobs, but with these benefits comes increased responsibility to transport crude oil safely.

Recent train derailments, and specifically the train derailment in Casselton, North Dakota, highlight the need to transport energy products as safely as possible. I believe that we on the Senate Appropriations Committee should provide the funding necessary to ensure FRA and PHMSA have the resources necessary to minimize the risk of train derailments and prevent fires or explosions if a derailment occurs. In particular, there is an increased need for improved rail inspections as one part of a comprehensive plan to improve rail safety for our communities. While I have continued working with the responsible agencies, as well as industry, to make sure we advance our safety efforts, one thing is clear, we need to increase funding to match these efforts.

The FRA rail-safety oversight framework relies on inspections to ensure railroads comply with federal safety regulations, and its mission is to enable the safe, reliable, and

efficient movement of goods for a strong America. FRA's responsibilities include inspecting the railroad infrastructure and operations and identifying safety defects, among other safety protocols. I urge you to provide the funding necessary to strengthen all of FRA's rail safety functions, including track inspections and safety reviews of railroads nationwide.

Meanwhile, PHMSA is responsible for the regulation and safe transportation of crude oil on rail, including the inspection of how crude is classified and shipped in tanker cars. PHMSA launched "Operation Classification" to help ensure that shippers and carriers have the necessary information to properly classify crude and that the crude is properly labeled when it is transported. U.S. Class I railroads carried only 9,500 carloads of crude in 2008 but with the growth of domestic oil production that number has grown to 234,000 in 2012 and was likely around 400,000 in 2013. With this rapid growth in the use of crude tankers, it is important that PHMSA has the necessary resources to hire new inspectors. It is critical that the Transportation, Housing and Urban Development Appropriations subcommittee makes sure that PHMSA has the resources to ensure the safe transportation of crude by rail when developing the Fiscal Year 2015 appropriations bill.

I appreciate your consideration of my request and look forward to working with you to ensure that our railways are safe. If you have questions about this request, please do not hesitate to contact me or Cassie Bladow of my staff at (202)224-8460.

Sincerely,



John Hoeven
United States Senator